

Tennessee Department of Commerce and Insurance

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Commission Members & Staff

Kenneth Dreaden, Chairman

At-Large Member 11/10/2005 - 08/31/2008

Howard Phillips, Vice ChairmanEast Tennessee Member
Term: 09/01/2003 - 08/31/2009

Bobby Colson, Board MemberMiddle Tennessee Member
Term: 08/31/2004 - 08/31/2010

Marvin Alexander, Board Member

West Tennessee Member

11/30/2004 - 08/31/2007

Mary Frances Rudy, Board Member

Consumer Member Term: 04/25/2007 - 08/31/2007

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Mission Statement

The mission of Tennessee Auctioneer Commission is to protect the public and licensees by monitoring the auctioneer profession through licensure and regulation.

State of Tennessee

Department of Commerce & Insurance Tennessee Auctioneer Commission 500 James Robertson Parkway Davy Crockett Tower - Sixth Floor Nashville, Tennessee 37243-1152

615-741-3600 Fax - 615-741-1245

www.state.tn.us/commerce/boards/auction

From the Chairman

By Kenneth Dreaden, Chairperson

It appears as if a portion of the complaints received by the Tennessee Auctioneer Commission are of a more serious nature than those received in the recent past. In my opinion, many of these complaints could be avoided if the auctioneer would explain their contracts more thoroughly and make sure the consumer is aware of everything included in the contract before they sign it. As my late partner used to say, "There is nothing like having a good understanding on the front end." Taking the time to ensure a good understanding of the contract will usually result in a good understanding once the sale is over and the closing takes place.

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I have also noticed in the *Tennessean* on Sunday mornings, as many as 90% of the auctions advertised are being referred by another party. Many of these ads do not state whether the referral is from a real estate broker or an auctioneer, but in most cases, these referrals are from a real estate agent. There is nothing wrong with real estate professionals referring auctions, if they are handled correctly. A person holding **only** a real estate license **cannot** solicit auction sales – not even by asking a client if they would like to hold an auction. For the real estate professional, it is important to be mindful. The only condition under which a real estate agent may refer an auction sale is if the client approaches the agent and requests a referral to an auctioneer. In this situation, the real estate agent may refer the client to the auctioneer, and the auctioneer and the seller are then the parties to the auction contract.

A few months ago, I began noticing the name of a local real estate broker appearing in my local paper as a referring agent for several auctions conducted by an out-of-town auctioneer. Before long, this agent was asked to contact me about an auction that I had been court ordered to handle for her client. Through our conversation, I was able to explain to her how auction referrals by real estate professionals must be handled. She did admit, despite her previous referrals, she had not been aware of the proper process and was most appreciative of the information.

Most real estate professionals do not know how to legally handle a referral to an auctioneer, but auctioneers must know, and should help to educate the real estate professionals they coop with. Principal auctioneers and principal brokers need to remember they are responsible for all the people that work under them. This responsibility applies to all situations – including referrals.

The Commissioners and staff of the Tennessee Auctioneer Commission are all doing our best to work together and with the auctioneers of this state for the benefit of all auction consumers in Tennessee, whether they are sellers or buyers. We also appreciate the help we receive from our licensees. I hope everyone has a safe and happy holiday season.

Address Corrections Please!

Boyd, Roy Brown, Brian Duvall, Fred Evans, Chad Frazier, Boyce Gilstrap, Emory Godley, Frankie Guth, C Thomsen Headrick, Christopher Ladd, Charline Pittman, Timothy Samples, Warren N

American Auction Co. Carr Enterprises & Auction **Dana Auction Group** Danny Stanfield Auction Co. **Duvall Auction Company Evans Auction Production** F & F Auction Co. Fountain Valley Auction Frazier's Auction Mark Hafner Auct. & Realty Heartland Realty & Auction

LaFollette Auction House

Maryville Auction Gallery Missy's Auction Gallery Music City Collectibles **Neat Stuff Auction Orange Blossom Auctions** The Outlet Store Danny Ratcliff Auction Ray Adcox Auction **Smoky Mountain Antiques** T & P Auction The Godsey Farm Wholesalexchange Inc.

Helpful Tips and Resources

As we head into the winter months, auctioneers and auction business owners across the state of Tennessee are evaluating ways to conserve fuel, energy and water. The State of Tennessee has a wealth of resources and services available to Tennessee residents and businesses to assist them in conservation efforts.

Gasoline: Auctioneers spend a lot of time in their vehicles. The standard ways to conserve gasoline and eek out extra miles per gallon are simple and easy:

- Drive the speed limit.
- Check your tire pressure.
- Change your oil.

Electricity: Many businesses and offices use fluorescent lights. The standard "T-12" fluorescents with ballast are being replaced all across the state with the newer "T-8" fluorescents. The savings are phenomenal. The Tennessee Department of Energy and Conservation uses the following example on their website:

"For example, consider a facility with 100 four-lamp fixtures using T12 lamps and standard ballasts. Each fixture operates at about 174 watts. Replacing these fixtures with T8 lamps and 75 percent electronic ballasts will use 18,250 fewer kilowatt-hours. Also, about \$2,000 will be saved."

The State of Tennessee Department of Economic and Community Development – Energy Division, has a small business program to assist Tennessee small businesses in obtaining financial assistance through low- to no-interest loans for energy updates and conversions. To contact the ECD Energy Division for more information on these programs, visit the website or call 800-342-1340.

Switching from standard incandescent bulbs to compact fluorescent bulbs in lamps will result in a higher up-front cost per bulb, but could result in a \$ 20 - \$ 30 savings over the life of the bulb. (Reference: TDEC website).

Other saving techniques will include:

- lowering your thermostat,
- turning off lights when not in use,
- updating your HVAC unit to a more energy efficient model,
- replacing windows, and
- · changing your HVAC filters regularly.

Water: In August 2007, Governor Phil Bredesen began encouraging Tennessee residents and businesses to begin conserving water resources. At that time, 47 water districts

in the state were experiencing water shortages or increased demand beyond capability, while other water districts were reporting issues with water taste and smell. The situation with Tennessee's water has not improved since August with more counties imposing water restrictions every week. Water conservation efforts will include (but are no way limited to):

- Eliminate all unnecessary water use, such as watering lawns and washing your vehicle,
- Inspect and ensure all plumbing is working properly, and
- Install low-flush commodes.

Auction business owners may also wish to check out resources available through the US Environmental Protection Agency at www.epa.gov.

By making small changes to your day to day uses of gasoline, electricity and water, you can increase the profitability of your auction business while helping to conserve our natural resources. For a complete list of agencies, citizen resources, and programs available in the state of Tennessee visit www.tennessee.gov. A partial list of Tennessee agencies is provided here.

Tennessee Dept. of Environment and Conservation 401 Church Street, L & C Annex Nashville, Tennessee 37243

http://tennessee.gov/environment/

Tennessee Dept. of Economic and Community Development – Energy Division

312 Eighth Avenue North – 10th Floor Nashville, Tennessee 37243 http://tennessee.gov/ecd/

Tennessee Department of AgricultureEllington Agricultural Center
Nashville, Tennessee 37204

For a list of Tennessee products: www.picktnproducts.org

To purchase a Tennessee grown Christmas tree: http://www.agriculture.state.tn.us

To give Tennessee gifts:

http://www.tennesseeanytime.org/shop/

"The Tennessee Department of Commerce and Insurance is committed to principals of equal opportunity, equal access, and affirmative action." Contact the EEO Coordinator or ADA Coordinator at 615-741-2177 (TDD).

Ants and Bees in Tennessee Things Every Auctioneer Should Know

With much of the state of Tennessee experiencing moderate to exceptional drought conditions, most Tennesseans are more aware than usual of the importance of our agricultural resources. We have identified some issues auctioneers need to be aware of as they engage in the sale of real estate, agricultural products, or equipment in Tennessee.

Fire Ants

In 1958, provisions of the Federal Imported Fire Ant Quarantine were invoked to slow or prevent the artificial spread of imported fire ants. In short, this Quarantine applies to US counties known to contain fire ant colonies. Today, all or parts of Tennessee's southern counties are under quarantine. Below is a list of some of the articles which require a certificate or permit before they can be shipped outside a quarantined area:

- 1. Soil, separately or with other things, except soil samples shipped to approved laboratories. Note: potting soil is exempt if it is commercially prepared, packaged, and shipped in original container.
- 2. Plants with roots and soil attached, except house plants maintained indoors and not for sale.
- 3. Grass sod.
- 4. Baled hay and straw that has been stored in contact with soil.
- 5. Used soil-moving equipment.

The following Tennessee counties are fully or partially quarantined: Anderson, Benton, Bledsoe, Blount, Bradley, Carroll, Chester, Coffee, Crocket, Cumberland, Davidson, Decatur, Fayette, Franklin, Gibson, Giles, Grundy, Hamilton, Hardin, Hardeman, Haywood, Henderson, Hickman, Humphreys, Knox, Lawrence, Lewis, Lincoln, Loudon, Madison, Marion, Marshall, Maury, McMinn, McNairy, Meigs, Monroe, Moore, Morgan, Perry, Polk, Rhea, Roane, Rutherford, Sequatchie, Shelby, Tipton, Van Buren, Warren, Wayne and Williamson.

Tennessee auctioneers selling nursery stock, root-bearing produce stock, or used soil-moving equipment, should contact the Tennessee Department of Agriculture to determine if a certificate or permit must be attached to the articles being sold. Additionally, auctioneers in areas not under quarantine, should contact the Department of

Agriculture when considering consignment of regulated items from a quarantined county. The phone number for the Department of Agriculture is (615) 837-5103.

Honey Bees

In 1990, the Tennessee General Assembly passed Public Act 725 designating the honeybee as the official state agricultural insect. While honey is one of Tennessee's smaller agricultural commodities, there are strict laws in the state of Tennessee governing the sale of honeybees, the sale or gifting of any used beekeeping equipment, the movement of bees within the state, and the deliberate disruption of free-flying honeybees or their hives. (Reference: TCA Title 44, Chapter 15, Sections 105-112).

Auctioneers selling real property in Tennessee where honeybee hives are located must consult with the State Apiarist to insure compliance with Tennessee apiary laws, and auctioneers selling personal property need to be aware of regulations on the sale of bee equipment.

For more information on honeybees, hives and beekeeping equipment regulations in Tennessee, contact:

Gray Haun, State Apiarist Tennessee Department of Agriculture (615) 837-5338

¹Tennessee Department of Agriculture: http://www.state.tn.us/agriculture/regulate/plants/ifa.html

Tennessee Auctioneer Commission

The Tennessee Auctioneer Commission was created in 1967. For the last 40 years, the TAC has been licensing and regulating apprentice auctioneers, auctioneers, firms, galleries, firm branches and gallery branches.

Our Mission: The mission of the Tennessee Auctioneer Commission is to protect the public through establishment and administration of minimum requirements for candidates and licensees, effective professional education of licensees and enforcement of professional conduct. State of Tennessee
Department of Commerce and Insurance
Tennessee Auctioneer Commission
500 James Robertson Parkway
Davy Crockett Tower, 6th Floor
Nashville, Tennessee 37243-1152

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Continuing Education

Tennessee Auctioneer Commission Continuing Education Seminar

Natchez Trace State Park

Wildersville, Tennessee http://state.tn.us/environment/parks/NatchezTrace/

Monday, February 25, 2008 9:00 am – 4:00 pm (central) Featured Speaker: David Hart, CAI, AARE

If you missed David's program in Pigeon Forge in October, you will want to be sure to attend the February session. If you can't make it in February, you will have one more chance – May 20th, 2008 – in Middle Tennessee.

Directions:

Natchez Trace is located in Carroll, Henderson, and Benton counties in West Tennessee. It lies 35 miles east of Jackson off of Interstate 40 between Nashville and Memphis. Take Exit 116 off of I-40 to the parks main entrance.

TN Auctioneer Commission Calendar 2008

The Auctioneer Commission is scheduled to meet Monday, January 7, 2008. Be sure to check the TAC website to confirm the meeting time.

www.state.tn.us/commerce/boards/auction

Wishing you and yours a Joyous, Peaceful and Safe Kaliday Season... and A Happy New Year!



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